

香港特別行政區政府  
The Government of the Hong Kong Special Administrative Region

運輸及房屋局

香港九龍何文田佛光街 33 號



Transport and Housing Bureau

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10 May 2021

Clerk to Legislative Council Panel on Housing  
Legislative Council Secretariat  
Legislative Council Complex  
1 Legislative Council Road, Central  
Hong Kong  
(Attn.: Ms Connie HO)

Dear Ms HO,

**Legislative Council Public Works Subcommittee  
Follow-up Actions to Meeting on 21 April 2021**

Thank you for your email dated 23 April 2021, attaching a list of follow-up actions requested at the Public Works Subcommittee meeting regarding Paper No. PWSC(2021-22)4 on 21 April 2021.

2. We enclose herewith the consolidated reply after consulting the information from relevant bureaux/departments.

Yours sincerely,

Original signed

(HONG Wing-kit, Michael)  
for Secretary for Transport and Housing

c.c.

Secretary for Financial Services & the Treasury  
Secretary for Development  
Director of Civil Engineering and Development

(Attn.: Mr Kwong-kin CHIU)  
(Attn.: Miss Ingrid YU)  
(Attn.: Mr Jacky WU  
Mr Joseph LO)

Director of Housing

(Attn.: Mr Max WONG)

Director of Lands

(Attn.: Ms Karen LEUNG)

Director of Planning

(Attn.: Mr Kepler YUEN)

Director of Transport Department

(Attn.: Ms Carrie LEUNG)

**Legislative Council Public Works Subcommittee  
Meeting on 21 April 2021**

**810CL – Site formation and infrastructure works for  
public housing development at Long Bin, Yuen Long**

**Supplementary Information**

**Purpose**

At the meeting of the Public Works Subcommittee of the Legislative Council on 21 April 2021, the Chairman requested the Government to provide supplementary information on how the compensation zone (i.e. Zones A, B, C and D) of affected land is determined under the prevailing ex-gratia compensation system for resumption of private land in the New Territories and the considerations involved regarding Head 711 Programme Item no. 810CL - Site formation and infrastructure works for public housing development at Long Bin, Yuen Long. After consulting the relevant bureaux and departments, this paper provides the relevant information.

**Details**

2. In handling compensation matters upon resumption of private land for public purposes, the Government is obliged to follow the relevant Ordinances in processing and assessing statutory claims from the affected landowners. The relevant Ordinances (including the Lands Resumption Ordinance (Cap. 124), the Roads (Works, Use and Compensation) Ordinance (Cap. 370), the Railways Ordinance (Cap. 519) etc.) set out the entitlements to compensation, the procedures involved, the basis and principles of assessment of the compensation, as well as the authority for final determination of compensation which is the Lands Tribunal.

3. The Government has also put in place an ex-gratia zonal compensation system to offer the affected landowners an option of receiving ex-gratia compensation as an alternative to statutory compensation. This allows land compensation to be dealt with more easily and conveniently. The ex-gratia compensation system approved by the Finance Committee of the Legislative Council covers four compensation zones (i.e. Zones A, B, C and D), taking into account the location of the land affected and the nature of the development plan involved.

4. For each development project that involves land resumption, the Government will examine the location of the land resumed and the nature of the development project involved for consideration of the applicable ex-gratia compensation zone. For example, factors considered include whether the land resumed falls within New Town Development Areas designated on outline zoning plans, whether the areas are affected by essential projects with territory-wide significance, and whether there is any known potential for urban development.

5. The compensation rates of each zone are set at different percentages of the basic rates. The current ex-gratia compensation zones and their respective compensation rates are set out below –

Zone	Definition	Compensation	
		Agricultural land	Building land
A	New Town Development Areas (namely areas within the New Town boundaries as shown on gazetted outline zoning plans for new towns), and those areas that are affected by essential projects with territory-wide significance.	120% of basic rate	Valuation plus 120% of basic rate
B	Areas which may be brought under urban development in the near future, either by extensions to the adjoining layout areas due to their proximity to such areas or by reason of their known potential for urban development.	75% of basic rate	Valuation plus 75% of basic rate
C	Areas in which no urban development is planned and which are unlikely to be affected by later extension to layout areas, but where resumptions are required sometimes for purposes directly connected with urban layout development and sometimes for local improvement schemes.	50% of basic rate	Valuation plus 50% of basic rate
D	Areas not included in other zones.	30% of basic rate	Valuation plus 30% of basic rate

Note 1: The ex-gratia compensation rates are revised twice a year, and the revised rates take effect on 1 April and 1 October of every year respectively.

Note 2: Effective from 1 April 2021, the basic ex-gratia compensation rates for agricultural land and building land are \$1,090 per square foot and \$2,162.5 per square foot respectively.

6. Procedure-wise, the Lands Department starts processing the compensation for the affected landowners after commencing the statutory land resumption procedures by way of affixing a Government Notice on the land to be resumed and publishing the same in the Gazette. It begins with a standard offer letter for ex-gratia compensation issued to the registered landowners. If the persons concerned do not accept the Government's ex-gratia compensation offer, they may opt to submit claims for statutory compensation to the Lands Department. If the amount of the claims cannot be agreed, the persons concerned may submit their claims to the Lands Tribunal for final determination. As for the professional fees that the claimants reasonably incurred in connection with the claims, the Government has a system in place for assessment and reimbursement.

7. In line with the people-oriented philosophy, the Government will provide assistance to the affected landowners with appropriate measures while balancing the use of public money, principles of fairness, and expectations of the affected persons as well as the wider community.

**Transport and Housing Bureau**  
**May 2021**